GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA

UNSTARRED QUESTION NO:6180
ANSWERED ON:05.05.2000
LICENCES TO CAR MANUFACTURERS
PUSHPDAN SHAMBHUDAN GADHAVI

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) the details of licences issued by the Government for manufacture of car in the country during the last three years alongwith their production capacity;

(b) the details of applications seeking licence for car manufacturing pending with the Government;

(c) whether any assessment of petrol/diesel requirement has been made before issuing the car manufacturing licences;

(d) if not, the reasons therefor, and

(e) the manner in which the Government propose to meet the demand of petrol in future?

Answer

THE MINISTER OF COMMERCE AND INDUSTRY (SHRI MURASOLI MARAN)

(a) & (b): The manufacturing of car is delicensed and hence no licence is issued for the same. However, as per the existing industrial policy for the delicenced items, the manufacturing company has to file an Industrial Entrepreneur Memorandum (IEM) for which an acknowledgement is issued and no further approval is required.

The details of IEMs filed, during the last three years, for the manufactureof motor cars inculding light duty utility vehicles, station wagons and racing cars along with the production capacity is as follows:-

	1997-98	1998-99	1999-2000
Number of IEMs filed	5	2	1
Proposed production	9,00,000	1,60,000	10,000

(c) to (e) Sizeable refining capacity has been created and more is planned to take care of the projected demand of petrol and diesel in the country. Currently supply of petrol from the Indian refineries has outstripped the demand by 25% to 30%. Similarly indigenous production of diesel is marginally more than its demand.